

Administrative Order



Administrative Order No.: 7-32

Title: Expenditure of Budgeted Aviation and Seaport Department Promotional Funds and Expenditure of Airport Revenue for Promotional Activities

Ordered: 12/16/1997

Effective: 12/26/1997

AUTHORITY:

Section 4.02, Dade County Charter; Chapters 129 and 125.012 (25), Florida Statutes; 49 U.S.C. 47107; U. S. O.M.B. Circular A-87, Metropolitan Dade County Ordinance 97-91, and Administrative Order 3-1.

SUPERSEDES:

This Administrative Order supersedes A.O.7-32, ordered and effective July 11, 1995.

PURPOSE:

This Administrative Order sets forth the steps and procedures to be followed relating to the use of Airport and Seaport Department budgeted promotional funds. This Administrative Order also sets forth the policy and procedures to be followed for the allocation, budgeting, and expenditure of promotional funds derived from Airport revenue subject to United States Code Part 49, Section 47107.

I. POLICY AVIATION AND SEAPORT DEPARTMENTS:

- A. It is to the benefit of the County and its residents to effectively promote its important Airport and Seaport facilities. Promotional funds have been consequently allocated to promote trade, tourism, passenger, and cargo traffic through the Airport and Seaport. Budgeted Seaport Department promotional funds may be used to sponsor or participate in worthwhile community events or functions where such participation would serve to publicize and promote the Seaport.

- B. The Seaport Department may participate in more traditional travel industry promotional activities, such as trade shows, exhibits, etc., which will continue to be an appropriate expenditure of promotional funds.

II. POLICY AIRPORT REVENUE:

- A. Federal law requires more stringent restrictions on the use of Aviation Department promotional funds derived from airport revenue. Airport revenues are to be used for the capital and operating costs of the airport system in accordance with all applicable Federal rules and regulations including, but not limited to, 49 U.S.C. 47107 and U. S. O.M.B. Circular A-87.
- B. The use of airport revenue for promotions and events is limited solely to:
 - 1. the costs of activities directed towards promoting public and industry awareness and use of airport facilities and services; and
 - 2. the salaries and expenses of persons engaged in efforts to promote air service at the airports.
- C. The use of airport revenue for general economic development, marketing, and promotional activities not specifically related to airports or airport systems is prohibited.

III. DEFINITIONS:

This Administrative Order incorporates completely all definitions included in 49 U.S.C. Sections 47102, 47107, and O.M.B. Circular A-87. Those definitions, as well as additional terms necessary for the understanding of this Administrative Order, are listed below:

- A. Airport revenue means the following types of fees, charges, rents, or other payments received by or accruing to the Aviation Department:
 - 1. Revenue from air carriers, tenants, transferees, and other parties. Airport revenue includes all revenue received by DCAD for the activities of others or the transfer of rights to others relating to the airport.

including revenue received:

- a. for the right to conduct an activity on the airport or to use or occupy airport property;
 - b. for the sale, transfer, or disposition of real airport property not acquired with Federal assistance, or personal airport property not acquired with Federal assistance, or any interest in that property, including sale through a condemnation proceeding;
 - c. for sale of (or sale or lease of rights in) DCAD owned mineral, natural, or agricultural products or water to be taken from the airport(s); or
 - d. for the right to conduct an activity on, or for the use or disposition of, real or personal property or any interest therein owned or controlled by DCAD and used for an airport-related purpose but not located on the airport(s);
 - e. Revenue from DCAD activities. Airport revenue generally includes all revenue received by DCAD for activities conducted by DCAD itself as owner and operator, including revenue received:
 - f. from any activity conducted by DCAD on airport property acquired with Federal assistance;
 - g. from any aeronautical activity conducted by DCAD; or
 - h. from any nonaeronautical activity conducted by DCAD on property not acquired with Federal assistance, up to an amount appropriately attributable to use of the property (such as the amount of rent that would be charged a commercial tenant).
- B. Airport's Annual Promotional Plan (AAPP) means an annual statement of the anticipated promotions or events that are directed towards promoting public and industry awareness and use of airport facilities and services.

- C. Airport-related promotion/event means promotions or events that are specifically directed towards promoting public and industry awareness and use of airport facilities and services.
- D. DCAD means the Dade County Aviation Department.
- E. Department means either the Aviation Department or the Seaport Department individually or jointly.
- F. Promotional funds means airport revenue identified for use in promotions or events that are directed towards promoting public and industry awareness and use of airport facilities and services.
- G. Nonairport-related promotion/event means any event or promotion whose principal purpose or focus is other than promoting public and industry awareness and use of airport facilities and services, even if such event is held on, or in conjunction with the airport.
- H. Seaport's Annual Promotional Plan (SAPP) means an annual statement of the anticipated promotions or events that are directed towards promoting public and industry awareness and use of Seaport facilities and services.

IV. AVIATION DEPARTMENT ANNUAL BUDGET:

The Aviation Department shall annually prepare and submit an itemized budget detailing the monetary allocations and supporting narrative descriptions for the AAPP. The AAPP shall include:

- A. Selected events and promotional activities which have proven in the past to be of value in promoting public and industry awareness and use of airport facilities and services, and have been recognized by the Federal Aviation Administration (FAA) as allowable airport-related promotions/events.
- B. New promotions or events, or increase in scope or funding of recurring events that are directed towards promoting public and industry awareness and use of

airport facilities and services.

- C. An allocation for airport participation in miscellaneous promotions and events that are directed towards promoting public and industry awareness and use of airport facilities and services, that arise as a result of unplanned events or circumstances.

V. SEAPORT DEPARTMENT ANNUAL BUDGET:

The Seaport Department shall annually prepare and submit an itemized budget detailing the monetary allocations and supporting narrative descriptions for the SAPP.

VI. BUDGET AMENDMENTS:

Amendments to the AAPP and SAPP shall be made in accordance with Administrative Order 3-1, dated November 6, 1962, Budget Amendments and Transactions.

VII. PURCHASE OF PROMOTIONAL/EVENT SERVICES:

Administration of the purchases, contracts, agreements, and procurements shall be made in conformance with all applicable Administrative Orders (AOs) and Ordinances, incorporated herein by reference, including, but not limited to:

- A. A.O. 3-2 Purchase of Commodities and Services.
- B. A.O. 3-3 Black Business Enterprise Program for the Purchase of Goods, Services, Construction and Professional Services.
- C. A.O. 3-4 Purchase of Professional Services.
- D. A.O. 3-5 Memberships in Professional Organizations.

- E. A.O. 3-6 Petty Cash.
- F. A.O. 3-11 Art in Public Places Program Implementation.
- G. A.O. 3-12 Restrictions on Travel and Transactions of Business with Firms Doing Business with Cuba.
- H. A.O. 3-15 Uniform Minimum Standards for County-Wide Application, Assessment, Monitoring, and Management Evaluation and Performance Review of Community Based Organizations (CBOs), All Other Non-Profits, and Other Organizations Providing Community Services.
- I. A.O. 3-16 Requests for Proposals.
- J. A.O. 3-17 Hispanic Business Enterprise Program for the Purchase of Goods, Services, Construction and Professional Services.
- K. A.O. 3-18 Women Business Enterprise Program for the Purchase of Goods, Services, Construction and Professional Services.
- L. A.O. 3-19 Prompt Payment.
- M. A.O. 4-34 Permitting of Film and Video Tape Productions.
- N. A.O. 6-1 Travel on County Business.
- O. A.O. 6-5 Attendance at Local Conferences.
- P. A.O. 7-1 Conflict of Interest.
- Q. A.O. 7-9 Overtime Policy.
- R. A.O. 7-30 Employee Recognition - Employees of the Month or Year.

- S. A.O. 8-5 Permission to Conduct Business on County Property.
- T. A.O. 10-2 Metropolitan Dade County Aviation Department Enforcement Parking Rules and Regulations.
- U. Ordinance 97-91 - Rule 9.04.01 Expenditure of Seaport Department Promotional Funds.

VIII. REQUIRED PROCEDURES:

A. Application and Disclosure - Aviation Department

Except for participation by Airport in traditional industry-related promotional activities, such as trade shows, functions, exhibits, etc., and previously recognized by FAA as allowable, where only a justification and budget for the expense is required, the following information shall be submitted to the Aviation Department Director in writing and signed under oath as true and correct:

1. A narrative describing the event, documenting how such event will promote, publicize and advertise the advantages and attributes of Miami International Airport and is materially directed towards promoting public and industry awareness and use of airport facilities and services.
2. Where aviation revenues are requested, the narrative must clearly document the aviation-related nature of the event, the aviation benefits to be gained by the event, and how the amount requested from aviation revenue correlates to the benefits (i.e., quantify the cost-benefit ratio of the event from the Aviation Department perspective).
3. An itemized budget detailing all expenses and all revenues for the event, indicating the specific items or types of activities for which County funds are being requested, including the sources and amounts of other revenue anticipated, if any, in addition to that requested from the County. If Aviation Department promotional funds are being requested, then it must also be shown how the Aviation share of the funding was calculated (for events in which other public/private entities

are participating).

B. Application and Disclosure - Seaport Department

Except for participation by Seaport in traditional industry-related promotional activities such as trade shows, functions, exhibits, etc., where only a justification and budget for the expense is required, the following information shall be submitted to the Department Director in writing and signed under oath as true and correct:

1. A narrative describing the event, documenting how such event will promote, publicize and advertise the advantages and attributes of Seaport.
2. An itemized budget detailing all expenses and all revenues for the event, indicating the specific items or types of activities for which County funds are being requested, including the sources and amounts of other revenue anticipated, if any, in addition to that requested from the County.

C. Application and Disclosure - Aviation and Seaport Departments

1. Organizations claiming not-for-profit status must submit an Internal Revenue Service letter certifying such status.
2. Evidence of the entity's legal existence together with proof that all licenses and permits necessary for the conduct of the event have been obtained.
3. A written instrument agreeing that it will provide the following in consideration of receipt of the requested funds:
 - a. Submittal to the Board of County Commissioners, the County Manager and the Department(s) providing the funds, within 30 days after the event, of a written report, together with supporting documentation, demonstrating the use of the promotional funds provided;

- b. Maintenance in Dade County for a period of twenty-four (24) months after the conduct of the event of accurate and complete accounting books and records, together with underlying documents (such as vouchers, bills, invoices, receipts and canceled checks) relating to the expenditures and revenues of the event. The County shall be permitted to audit and inspect such records at reasonable times and places;
- c. Agreement that, except for any revenue from the sale of raffle or door prize tickets, or similar activities intended as fund raisers for a specific cause, it will first apply any revenues received in excess of the specific event expenses to repay any promotional funds received from the Department; and
- d. Agreement that it will assume the continuing obligation to advise the Department of any material changes in the information previously submitted hereunder.
- e. Completion of any and all Metro-Dade County affidavits as may be required by the Board of County Commissioners from time to time.
- f. Completion in conjunction with the Department of the standard summary and evaluation form, where appropriate, at the time of project completion and/or funding cycle, as required by Resolution No. R-508-96.

D. Approval Procedures - Aviation Department

1. Upon receipt of the information required above, the Aviation Department Director will review the request and determine:
 - a. if it is consistent with the stated policy of this Administrative Order and applicable Florida Statutes, and,
 - b. if, in the case of requests for promotional funds from Aviation revenue, that FAA guidelines have been met:

c. whether budgeted funds are available; and

d. whether all other requirements of this Administrative Order have been met.

2. If promotional funds derived from Aviation revenue are being requested and the requesting organization cannot document the aviation related nature of the event or substantiate that the promotions or events are directed towards promoting public and industry awareness and use of airport facilities and services, Aviation revenue derived promotional funds will not be granted.

E. Approval Procedures - Seaport Department

Upon receipt of the information required above, the Seaport Department Director will review the request and determine:

1. if it is consistent with the stated policy of this Administrative Order and applicable Florida Statutes;
2. whether budgeted funds are available; and
3. whether all other requirements of this Administrative Order have been met.

IX. COSTS OF \$5,000 OR LESS - Aviation Department:

The Aviation Department Director may authorize expenditures for Airport promotional activities where the not-to-exceed costs, including the costs of goods or services to be paid directly to the provider, or the amount of County's direct participation are \$5,000 or less, and send a written report to the County Manager advising of such action, providing:

- A. such expenditures and the costs of activities if derived from airport revenue

are directed towards promoting public and industry awareness and use of airport facilities and services, or are the salaries and expenses of persons engaged in efforts to promote air service at the airports, or

- B. such expenditures and the costs of activities are derived from nonairport revenue.

X. COSTS OF \$5,000 OR LESS - Seaport Department:

The Seaport Department Director may authorize expenditures for Seaport promotional activities where the not-to-exceed costs, including the costs of goods or services to be paid directly to the provider, or the amount of County's direct participation are \$5,000 or less, and send a written report to the County Manager advising of such action.

XI. REQUEST OF \$5,000 TO \$10,000 - Aviation Department:

The County Manager may authorize expenditures for Airport promotional activities where the not-to-exceed costs, including the costs of goods or services to be paid directly to the provider, or the amount of the County's direct participation, are between \$5,000 to \$10,000.

- A. The Aviation Department Director shall submit to the County Manager recommendations concerning such requests, together with appropriate documentation demonstrating:
 - 1. that such expenditures and the costs of activities if derived from airport revenue are directed towards promoting public and industry awareness and use of airport facilities and services, or are the salaries and expenses of persons engaged in efforts to promote air service at the airports; or
 - 2. such expenditures and the costs of activities are derived from nonairport revenue.
- B. The County Manager will review and consider the recommendations, and will

advise the Department, in writing, as to his approval or disapproval.

XII. NONBUDGETED REQUESTS OVER \$5,000 - Seaport Department:

Ordinance 97-91 mandates all proposed expenditures from the Seaport Promotional Funds over \$5,000, other than those adopted as part of the County annual budget ordinance, shall require a written recommendation from the County Manager together with a two thirds (2/3) vote of the entire membership of the Board of County Commissioners.

XIII. NONBUDGETED REQUESTS OVER \$10,000 - Aviation Department:

All requests of over \$10,000 require Board of County Commissioners' approval. The Department Director will prepare recommendations concerning such requests and submit them to the County Manager. The County Manager will review and consider the Department's recommendations, and if the requests are considered appropriate, will make written recommendations thereon to the appropriate Committee(s) of Jurisdiction, which will review such requests before they can be forwarded to the full Board.

The Administrative Order is hereby submitted to the Board of County Commissioners of Dade County, Florida.

Armando Vidal, P.E.

County Manager